THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b) Yes, Sir. STC has intimated that it had entered into contract date 30.3.91 with M/s. Universal Paper Export Co. Ltd., Canada for import of 5,000 MT Glazed Newsprint at the rate of US$ 810 PMT C&F for shipment of maximum quantity by 25.4.91, or at US$ 700 PMT FAS for shipment in two equal lots during May-June, 1991. Another order of 5,000 MT Glazed Newsprint was placed on the said suppliers on 15.5.91 with a special condition that the contract for the said additional quantity would come into effect affer receipt of quantity ordered under earlier contract and subject to acceptance of quality by the user industry. The order for the additional quantity was at US$ 715 PMT FAS for shipment during June-August. 1991. Under the first contract, a quantity of 2,342.554 MT was received at Bombay on 12.6.1991.

(c) In view of the conflicting test reports got conducted by the Customs Authorities from different laboratories, STC took a commercial decision to abandon the goods.

(d) to (f) A preliminary inquiry was conducted by Vigilance Division of STC into the matter. Subsequently, it was decided to entrust the investigation of the case to CBI for a thorough probe and the case is presently at investigating stage in CBI.

Trade between India and former U.S.S.R

1824. SHRI GOVINDRAO ADIK: Will the Minister of COMMERCE be pleased to state:

(a) the turn over of trade between former USSR and India during the last two years;

(b) the total debt India has incurred over the years from former USSR and the arrangements made for their repayment;

(c) whether the question of repayment has adversely affected the current trade between the two countries;

(d) whether the traditional exports to USSR has been drastically low; and

(e) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) The trade turnover between India and former USSR during the last 2 years is as under:—

(Value in Rs. Cr.)

Year	Export	Import	Trade Turnover
1992-93	1693	745	2438
1993-94	2393	1174	3567

(b) India's outstanding debt (principal) incurred due to State Crdeits extended by he former USSR and to be repaid to Russia, as on 31.3.1994, was about Rs 30,386 crores. In the current financial years, our total debt service payment to Russia, including principal and interest, would be approximately Rs. 3000 crores. The Rupee debt repayments are credited into the account of the Russian authorities with the Reserve Bank of India. In accordance with the Inter-Governmental Agreement of January, 1993 these rupee funds are to be utilised by the Russian authorities to purchase Indian foods and services.

(c) The debt repayment track of trade in fact provides a crucial additional channel for India's exports to Russia and is serving to promote our exports in the transitional period, when exports have a tendency to fall due to dramatic changes internal to Russia. The rate of utilisation of funds in 1992-93 was slow since the institutional mechanisms to facilitate flow of trade were being put in place. The pace of utilisation of debt is however expected to pack up in the future with both sides making vigorous efforts in that direction.

(d) and (e) The export of traditional items like tea, tobacco, and leather uppers to USSR has suffered in the last couple of years inter alia due to the financial problems faced by the Russian importers. During PMs visit to Moscow in June, 1994, it was agreed that a 3-year perspective plan could be chalked out for the import of traditional items, to ensure greater transparency, predictability and continuity in the off-take of these items.

India's trade with the former Soviet Republics

1825. SHRI GOVINDRAO ADIK: Will the Minister of COMMERCE be pleased to state:

(a) whether an expert study team had visited to Iran to help develop the transit route through Iran for India's trade with Central Asian Republics;

(b) if so, the outcome of the visit; and

(c) the usefulness and benefits that are to accrue from this route?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) An expert study team of Govt. officials visited Iran in July, 1993 to assess the feasibility of India's trade with the Central Asian Republics through Iran.

(b) and c) The findings of the team were that Iran has a fairly developed transport infrastructure and transit through Iran for Central Asian Republics is feasible both from the commercial and logistic points of view. The route through Iran holds the promise of being fast, smooth and more advantageous to the shippers.

Sri Lankan proposal for association of tea producers

1826. SHRI G. Y. KRISHNAN: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that India has agreed to a Sri Lankan proposal to form an association of tea producers and establish a mechanism for the meaningful interaction on production, productivity and research as a result of the extensive talks held by the three member team headed by the Deputy Chairman on the Indian Tea Board with the Sri Lankan officials;

(b) if so, the joint marketing efforts discussed at this meet;

(c) the broad outlines for the formation of this association and the countries likely to join his tea producers' cartel; and

(d) how will it help India in boosting its tea exports and to ensure proper prices for south Indian tea producers?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) It has been decided in principle to join the proposed "Tea Producers' Association" mooted by Shri Lanka. This has been conveyed to Sri Lankan authorities.

(b) During the meeting of hte Indo-Sri Lanka Working Group, both delegations have agreed that any joint marketing venture should be between the private sectors of the two countries. The Tea Boards of both countries would lend their support for the same.

(c) The Association is proposed to be formed basically with a view to establish a mechanism for meanigful interaction amongst tea producing member countries on the production, productivity and research. However, broad aims and objectives of the association have not yet been finalised.

Positive responses are understood to have been received by Sri Lanka from tea producing countries. However, detailed information in this regard is not yet available.

(d) Since details of the objectives etc. of the proposed Tea Producers' Association have not been formulated as yet, it is too early to assess its impact on price stabilisation of Indian tea and improvement of Indian tea exports.